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MAY 26 2011

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United States Bankruptcy Court  
San Jose, California

Benyam and Paula R. Mulugeta  
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Debtors in Possession

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In Re:

Benyam and Paula R. Mulugeta

Debtors

Case No. 09-51900 ASW  
CHAPTER 11

**DECLARATION OF RODNEY THOMPSON IN  
REGARD TO "GRAND" PROPERTY SALE  
ACTIVITIES**

Judge: The Honorable A. Weissbrodt

I, Rodney Thompson, hereby declare as follows:



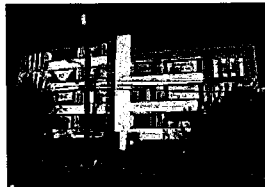


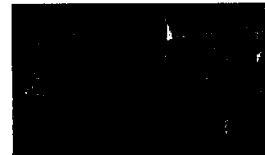
- 1- I am a licensed real estate agent with TRI Commercial. My office is located at 1404 Franklin St. Oakland, Ca. 94612. My telephone number is 510-622-8433.
- 2- I am qualified to represent the estate of the Debtors as sellers of the property located at **353 Grand Ave. , Oakland, Ca. 94610** for the reasons stated herein.
- 3- The general terms of the agreement between the Debtors and TRI Commercial and I are as follows:
  - A) The current list price is \$2,590,000".
  - B) The compensation sought by TRI Commercial and I is six percent (6%) of the gross sales price.
  - C) The period for the listing is March 1<sup>st</sup>, 2011 through September 1<sup>st</sup>. 2011.
  - D) Any sale of the property and/or payment of commission is subject to approval by the TRI Commercial or me may occur without an order being obtained by the United States Bankruptcy Court.
- 4- I have several years of experience in the selling of real property in the area where the subject property is located.
- 5- I am attaching Oakland Adams Point Apartment Property Comparable Sales, where the subject property is located. Generally, rent levels and occupancy is up. Sales activity is improved, also, with some return to multiple offers. Since we drooped the price, we are expecting to get an offer near future.(Exhibit 1).

I DECLARE under the penalty of perjury that the forgoing is true and correct.

Dated: May 24, 2011

Rodney Thompson

# EXHIBIT 1

141 Montecito Ave			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 01/06/2010 (295 days on mkt)	Bldg Type: Apartment Units		
Sale Price: \$2,297,400 - Confirmed	Year Built/Age: Built 1963 Age: 47		
Price/SF: \$139.21	RBA: 16,503 SF		
Price/Unit: \$120,916	# of Units: 19		
Pro Forma Cap: -	Parcel No: 010-0769-011-00		
Actual Cap Rate: 6.54%	GRM/GIM: 8.90/-		
Comp ID: 1866352	Sale Conditions: Deferred Maintenance		
Research Status: Confirmed			
411 Euclid Ave			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 04/07/2010	Bldg Type: Apartment Units		
Sale Price: \$1,956,000 - Confirmed	Year Built/Age: Built 1971 Age: 39		
Price/SF: \$143.86	RBA: 13,597 SF		
Price/Unit: \$150,462	# of Units: 13		
Pro Forma Cap: 5.48%	Parcel No: 010-0779-004-00		
Actual Cap Rate: 6.00%	GRM/GIM: -		
Comp ID: 1916480	Sale Conditions: -		
Research Status: Confirmed			
372 Euclid Ave			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 02/02/2011 (434 days on mkt)	Bldg Type: Apartment Units		
Sale Price: \$3,395,700 - Confirmed	Year Built/Age: Built 1968 Age: 43		
Price/SF: \$128.66	RBA: 26,392 SF		
Price/Unit: \$106,116	# of Units: 32		
Pro Forma Cap: 5.13%	Parcel No: 010-0785-031-01		
Actual Cap Rate: -	GRM/GIM: -		
Comp ID: 2050396	Sale Conditions: -		
Research Status: Confirmed			
290 Lee St - Fontana Lee East Apartments			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 03/25/2011	Bldg Type: Apartment Units		
Sale Price: \$3,075,000 - Confirmed	Year Built/Age: Built 1968 Renov 2008 Age: 43		
Price/SF: \$146.07	RBA: 21,052 SF		
Price/Unit: \$139,773	# of Units: 22		
Pro Forma Cap: 7.93%	Parcel No: 010-0774-032-02		
Actual Cap Rate: 6.21%	GRM/GIM: -9.72		
Comp ID: 2078545	Sale Conditions: -		
Research Status: Confirmed			
333 Park View Ter			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 03/31/2011 (43 days on mkt)	Bldg Type: Apartment Units		
Sale Price: \$1,425,000 - Confirmed	Year Built/Age: Built 1920 Age: 91		
Price/SF: \$155.23	RBA: 9,180 SF		
Price/Unit: \$109,615	# of Units: 13		
Pro Forma Cap: 6.80%	Parcel No: -		
Actual Cap Rate: 7.40%	GRM/GIM: 8.68/-		
Comp ID: 2092385	Sale Conditions: -		
Research Status: Confirmed			
314 Perkins St			SOLD
Oakland, CA 94610	Alameda County		
Sale Date: 04/29/2011 (7 days on mkt)	Bldg Type: Apartment Units		
Sale Price: \$4,675,000 - Confirmed	Year Built/Age: Built 1972 Age: 39		
Price/SF: \$142.63	RBA: 32,778 SF		
Price/Unit: \$133,571	# of Units: 35		
Pro Forma Cap: 7.94%	Parcel No: 010-0786-021-01		
Actual Cap Rate: 6.19%	GRM/GIM: 9.82/-		
Comp ID: 2101033	Sale Conditions: -		
Research Status: Confirmed			

# Multi-Housing Vacancy Index

**CBRE**  
 CB RICHARD ELLIS

April 5, 2011

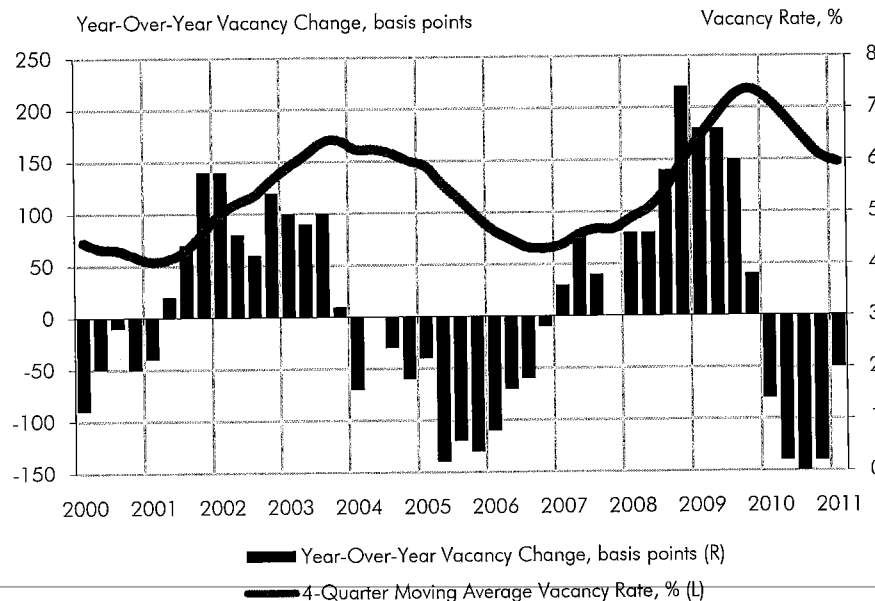
First Quarter 2011

## A Solid but Not Spectacular Quarter

Preliminary data indicate that U.S. apartment demand growth slowed down a bit. The first quarter was solid but vacancy improvement was not quite as strong as last year. The vacancy rate for the nationwide same-store sample of 4.1 million professionally-managed apartment units stood at 6% in the first quarter of 2011, a 50-basis point (bps) drop from a year ago. The 4-quarter trailing average also edged down to 6%, a slight improvement over the previous quarter.

Another indication that the national apartment market is firmly on a path toward recovery is continuing improvement in effective rents: the national index is now rising at an annualized rate of over 3%. Preliminary data show effective rent growth in virtually every market, with a dozen or so areas posting 5-7% annual increases.

### The Pace of Apartment Vacancy Improvement Loses Some Momentum



Sources: MPF Research, CBRE Econometric Advisors.

In 44 out of 60 markets, vacancy rates declined compared to a year ago. Markets with the biggest year-over-year declines in vacancy (150 bps or more) included Greensboro, Birmingham, Pittsburgh, Austin, Detroit, Oklahoma City, and Charlotte. Markets with the largest year-over-year increases in vacancy (50 bps or more) included West Palm Beach, Richmond, Norfolk, Louisville, Tulsa, and El Paso. Markets with the lowest vacancy rates (4% or below) include Pittsburgh, San Jose, Portland, El Paso, Minneapolis, Oakland, and San Francisco. Markets with the highest (9% and above) include Dayton, Las Vegas, Phoenix, Houston, Birmingham, Jacksonville, Atlanta, and Memphis.

With the recent gains in occupancy, effective rents are now showing more tangible growth and apartment fundamentals should continue strengthening through the rest of the year as the economy takes more steps towards recovery. As apartment demand recovers, the trade-off between vacancy and rent growth is likely to become more pronounced: lower vacancy will set the stage for higher rents, but if rents increase much faster, some cooling off in absorption is also to be expected.

Market	Vacancy Rate, %		
	2011.1	2010.1	Change, bps
Sum of Markets	6.0	6.5	-50
Albuquerque	4.9	5.4	-50
Atlanta	10.2	10.4	-20
Austin	5.9	8.0	-210
Baltimore	4.6	6.0	-140
Birmingham	9.9	12.3	-240
Boston	4.1	4.6	-50
Charlotte	7.3	9.0	-170
Chicago	5.3	6.1	-80
Cincinnati	6.5	6.8	-30
Cleveland	5.0	5.2	-20
Columbus	4.9	5.6	-70
Dallas	7.8	9.1	-130
Dayton	9.1	9.6	-50
Denver	5.4	5.5	-10
Detroit	5.9	8.0	-210
Edison	4.3	3.9	40
El Paso	3.2	2.6	60
Fort Lauderdale	5.5	5.3	20
Fort Worth	8.7	10.1	-140
Greensboro	6.5	9.2	-270
Greenville	7.7	7.4	30
Honolulu	6.8	6.9	-10
Houston	9.8	10.3	-50
Indianapolis	7.3	8.5	-120
Jacksonville	10.2	11.3	-120
Kansas City	7.7	8.9	-120
Las Vegas	9.4	9.4	0
Los Angeles	5.0	5.1	-10
Louisville	5.8	4.8	100
Memphis	10.3	10.3	0
Miami	4.1	4.5	-40
Minneapolis	3.4	4.8	-140
Nashville	6.0	7.1	-110
New York	5.5	6.2	-70
Newark	4.0	4.8	-80
Norfolk	6.6	5.3	130
Oakland	3.8	4.4	-70
Oklahoma City	6.0	7.9	-190
Orange County	4.6	5.1	-50
Orlando	7.6	8.3	-80
Philadelphia	5.6	5.6	0
Phoenix	9.5	9.7	-20
Pittsburgh	2.0	4.2	-220
Portland	3.2	4.4	-120
Raleigh	5.9	7.3	-140
Richmond	7.0	5.7	130
Riverside	6.3	6.0	30
Sacramento	5.3	6.2	-90

Salt Lake City	5.2	5.9	-70
San Antonio	7.8	8.2	-40
San Diego	4.1	3.7	40
San Francisco	3.9	3.9	0
San Jose	2.8	3.4	-60
Seattle	4.8	5.3	-50
St. Louis	7.3	7.3	0
Tampa	8.2	8.3	-10
Tucson	8.2	9.4	-120
Tulsa	8.7	8.0	70
Washington, DC	4.3	4.4	-10
West Palm Beach	6.9	5.2	170

This document was prepared by: Gleb Nechayev, Senior Economist, CBRE Econometric Advisors, [gleb.nechayev@cbre.com](mailto:gleb.nechayev@cbre.com)

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